

DNR - Adaptive Management vs. Trading

Adaptive Management and Water Quality Trading are two compliance options for Wisconsin point sources to meet numeric phosphorus requirements. These options are similar in that they both strive to achieve compliance with phosphorus in the most economically efficient manner possible. This typically includes reducing nonpoint and/or other point source pollution in a watershed. Despite this similarity, there are several differences between Adaptive Management and Water Quality Trading.

- **Potential Pollutants:** Trading may be utilized for many pollutants of concerns; Adaptive Management was created solely for phosphorus reduction in Wisconsin.
- **Trading and Adaptive Management have different end goals:** Adaptive Management focuses on achieving water quality criterion for phosphorus in the surface water; Trading focuses on attaining compliance with a permit limit.
- **The Scale of Adaptive Management and Trading:** Adaptive Management focuses on reduction strategies in a watershed; Trading only allows upstream reductions typically.
- **Calculating Offsets:** Trading offsets require trade ratios and margins of safety; Adaptive Management does not.
- **Timing:** Trading credits must be generated before use; Adaptive Management focuses on permit cycles.
- **Monitoring:** Adaptive Management requires in-stream monitoring and annual reports; Trading does not.
- **Eligibility** requirements under Adaptive Management and Trading are different.

See [Water quality trading framework for Wisconsin](#) for more information about water quality trading.

See [Adaptive management factsheet](#) for more info on Adaptive Management.